

27—13.50(161C) Allocations to soil and water conservation districts.

13.50(1) Allocation of funds. On August 25, 1993, and each succeeding July 1, the division will allocate funds recalled according to 13.50(3) and 96 percent of appropriated funds equally among the 100 soil and water conservation districts. Two percent of the appropriated funds will be used to administer the program and 2 percent will be held in reserve funds according to 13.50(5).

13.50(2) Recall of funds not obligated. Effective December 31, 1994, any funds allocated to a district that have not been obligated for projects on December 31 will be recalled by the division and reallocated according to 13.50(4).

13.50(3) Recall of funds where construction has not commenced. Any funds allocated to a district that were unobligated or obligated for projects for which construction has not commenced on May 31 will be recalled by the division and reallocated according to 13.50(1).

13.50(4) Supplemental allocation of recalled funds. Effective January 31, 1995, districts shall submit requests identifying valid applications and cost estimates to the division annually, by January 31. The supplemental allocation to any district will be the lesser amount of:

a. The amount of remaining funds divided by the number of districts applying for a supplemental allocation.

b. The amount requested.

13.50(5) Reserve funds. The division shall administer a reserve fund for the program consisting of 2 percent of each year's appropriated funds. The reserve fund will be set aside and used only to fund contingencies that occur in the districts or within the division. The division may phase out the reserve fund by reallocating these funds under 13.50(4) or 13.50(6).

13.50(6) Recall and reallocation of funds by division director. When the unspent balance of funds in the program is less than \$30,000, the division director may recall these unspent funds and reallocate them to a district or districts that demonstrate valid applications and cost estimates.